



08 JAN 1991

COMMANDANT INSTRUCTION 6570.4

Subj: Pharmacy Procurement and Dispensing Guidelines

Ref: (a) COMDTINST M6000.1B, Medical Manual

1. PURPOSE. This instruction prescribes policy for all Coast Guard commands which operate a pharmacy under the supervision of a medical officer.
2. DISCUSSION. Pharmacy operations consume the major portion of clinic operating budgets. Establishment of uniform policies regarding procurement, stock maintenance, and dispensing of pharmaceuticals will foster the most efficient and cost-effective service to the maximum number of eligible beneficiaries. While some clinics have enjoyed abundant funding to meet pharmacy needs, others have been chronically underfunded. Regardless of the level of funding, all clinic pharmacies and practitioners can realize savings through proper pharmacy management and more disciplined practices of prescribing medications. The policy outlined herein is designed to achieve this goal. As these guidelines are implemented, some clinics, in spite of the savings, may not have the resources to meet the beneficiary demand for pharmacy services. This instruction addresses a means for clinics to supplement their pharmacy budgets to meet this shortfall.
3. POLICY. Pharmacies shall operate under the following guidelines.
  - a. Commandant (G-KOM) will maintain a High-Cost Medication List and prescribe guidelines for the use of these drugs. Enclosure (1) lists the first set of such drugs, which are drawn from the following classes:
    - (1) Non-Steroidal Anti-Inflammatory Drugs,
    - (2) Cholesterol and Lipid Lowering Agents,
    - (3) Selected High-Cost Antibiotics, and
    - (4) Smoking Cessation Aids.

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3. b. In addition to those responsibilities outlined in reference (a), Pharmacy and Therapeutics Committees shall ensure that:
  - (1) Drug formularies are based on the pharmaceutical needs of patients receiving care in the clinic.
  - (2) Items are not stocked solely to meet civilian practitioner's demands.
  - (3) High cost, low use drugs that are obtained for an individual patient's use are not added to the formulary.
  - (4) Formulary items, whenever possible, are obtained from the Defense Personnel Support Center.
- c. Pharmacies shall:
  - (1) Adhere to all applicable state laws regarding dispensing generic equivalents for civilian prescriptions. Civilian prescribers may provide the clinic, in writing, a statement giving approval to dispense generics for their prescriptions. Obtain permission from the prescriber prior to all non-generically equivalent therapeutic substitutions.
  - (2) Dispense a three-month quantity, with appropriate refills, as the standard dispensing unit for patients maintained on chronic medications (antihypertensives, oral contraceptives, anti-epileptics, hormones, etc.). Dispensing more than a three-month supply of medication when required due to patient travel or operational requirements is authorized. Each initial prescription and each subsequent refill count separately as "one" prescription.
  - (3) Dispense formulary items to beneficiaries with civilian prescriptions. These prescriptions shall adhere to policy regarding quantities, refills, and the use of less costly alternatives first.
  - (4) Establish, where feasible, borrowing policies with local government or civilian pharmacies to cover temporary supply shortfalls. The individual responsible for the pharmacy shall maintain a log of items loaned or borrowed, and review and initial the log weekly to ensure timely replacement of all items.
  - (5) Rotate drugs (i.e., using items with the earliest expiration date first) to reduce waste from having to discard outdated items. Pharmacies shall maintain a log of all destroyed or discarded medication including: medication name, cost, expiration date, and the date and reason destroyed or discarded. The MLC(k) designated pharmacy officer responsible for the unit shall monitor these records and make recommendations to reduce waste.

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4. PROCEDURES.

a. The above guidelines shall be implemented as soon as possible but not later than six months from the date of this instruction.

b. Funding Procedures:

- (1) Clinic administrators shall project pharmaceutical funding requirements and include this information in the annual OG-57 CG-4144 budgetary process.
- (2) If clinic funding levels for pharmacy operation proves insufficient, clinic administrators shall request current year supplemental funding from appropriate MLC(k) through their chain of command. Supplemental requests will be approved consistent with the degree of compliance with guidelines, subject to the availability of funds.

5. ACTION. Area and district commanders, commanders of maintenance and logistics commands, and unit commanding officers shall comply with the contents of this instruction.



MICHAEL HUDGINS

Chief, Office of Health and Safety

Encl: (1) Prescribing Guidelines for High Cost Medications

Non-standard distribution:

B:c MLC LANT, MLC PAC (6 extra)  
C:a Cape Cod, Miami, Clearwater, Borinquen, Traverse City, Astoria (4)  
C:b North Bend, Port Angeles, Sitka (4)  
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